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INFORMATION REPORT

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THIS IS UNEVALUATED INFORMATION

1. Hungaryrotx, the Hungarian State Trading Corporation for Textiles, is organized into eight departments:-
- 25X1 Finance - Manager László Hajdu ✓
25X1 Cotton - Manager Pal Labortz
Rayon -) Names of managers are
Linen) not known. They are
Knitwear) in any case constantly
Wool) changing.
Haberdashery)
Ready mades ("confections"))
2. Hungaryrotx has 600 employees, but it has no personnel department. Hiring, dismissing, discipline, and the sending of representatives abroad are the responsibility of the Ministry of External Trade, of which the Permanent Under Secretary is László Hay, [redacted] ex-official of the Hungarian National Bank. The ministry is divided into three sections dealing respectively with products of light industry, heavy industry and agriculture. The light industry section is managed by Dezső Lantos.
- 25X1 ✓ Hay, [redacted] ex-official of the Hungarian National Bank. The
25X1 ministry is divided into three sections dealing respectively with products of
light industry, heavy industry and agriculture. The light industry section is
managed by Dezső Lantos.
3. The general manager of Hungaryrotx is András Lukács who was in private business before the war [redacted] Recently an assistant general manager has been appointed, [redacted] József Sany.
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general manager has been appointed, [redacted]
József Sany.
4. Hungaryrotx does not import the raw materials of the textile industry. All Hungarian imports are handled by Importex.

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5. Hungarotex formerly had 14 travelers, but six of these incurred the displeasure of the ministry and the number has fallen to eight. The names of seven of these are as follows:

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Gustav Dery

X Istvan Mueller
X Vilmos Lorand

X Andras Varkonyi
X Elek Markovics
X Dr. Laszlo Dus
X Laszlo Khan.

All the foregoing are businessmen of the pre-war period and (with the possible exception of Lorand) detest the present regime.

6. Representatives are rarely sent twice to the same country as it is considered undesirable that they should become too intimate with the local inhabitants. Travelers are not sent to other Iron Curtain countries. From these the orders are received by mail since the questions of fashion are of little importance. A typical order from a Satellite would be "Send two truck-loads of white cotton goods, with black spots". Accounts of trade between satellite countries are kept in dollars, although there is a project afloat to keep them in rubles.
7. In countries outside the Iron Curtain, travelers do business by visiting customers, accompanied by a salesman of the local Hungarotex agent. All orders booked are passed through the local agent who receives a commission of 3 per cent. Prices are in dollars. The Hungarotex traveler has no initiative in making a bargain and requests for price adjustments must be referred to the main office. Goods are normally despatched only after a credit for the full purchase price has been opened, but small consignments (up to \$ 100 or so in value) may be sent on "cash against documents" terms.
8. Travelers of Hungarotex correspond with their head office through the open mail, or in case of urgency in plain language telegrams.
9. A typist employed in Hungarotex in Hungary draws about 1,000 forints a month. A director such as Lukacs would get about 3,500. Senior officials do not have the use of a car except for purely business purposes. While traveling in the Middle East area a representative receives \$ 20 a day for subsistence.

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